

Assembly Bill No. 1960

Passed the Assembly August 29, 2016

Chief Clerk of the Assembly

Passed the Senate August 23, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend, repeal, and add Section 34501.12 of, and to add and repeal Section 34500.6 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1960, Lackey. Vehicles: Basic Inspection of Terminals program.

Existing law, the Basic Inspection of Terminals (BIT) program, makes it unlawful for a motor carrier to operate a specified type of vehicle, including, but not limited to, combination of a motortruck and a specified vehicle or vehicles that exceeds 40 feet in length when coupled together, without identifying to the Department of the California Highway Patrol all terminals, as defined, in this state where vehicles may be inspected by the department and where vehicle inspection and maintenance records and driver records will be made available for inspection. Existing law requires motor carriers to make vehicles and records available for inspection upon request by an authorized representative of the department.

This bill would, until January 1, 2023, exclude an agricultural vehicle from being subject to the BIT program, and would define agricultural vehicle to mean a vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating of 26,000 pounds or less if specified conditions are met, including that the vehicle is operated by certain individuals and is used exclusively in the conduct of agricultural operations when operating in commerce. The bill would require the Department of the California Highway Patrol, in consultation with the Department of Motor Vehicles, to, on or before January 1, 2022, report to the Governor and the Legislature about the impact of excluding agricultural vehicles from the BIT program, as specified.

This bill would incorporate changes to Section 34500.6 of the Vehicle Code, as proposed to be added by this bill, that would become operative only if AB 995 is enacted on or before January 1, 2017, and adds Section 36103 to the Vehicle Code.

This bill would incorporate additional changes to Section 34501.12 of the Vehicle Code proposed by AB 995, that would become operative only if this bill and AB 995 are both chaptered and become effective on or before January 1, 2017, and this bill is chaptered last.

The people of the State of California do enact as follows:

SECTION 1. Section 34500.6 is added to the Vehicle Code, to read:

34500.6. (a) For purposes of this division, an agricultural vehicle is a vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating of 26,000 pounds or less if all of the following conditions are met:

(1) Is operated by a farmer, an employee of a farmer, or an instructor credentialed in agriculture as part of an instructional program in agriculture at the high school, community college, or university level.

(2) Is used exclusively in the conduct of agricultural operations when operating in commerce.

(3) Is not used in the capacity of a for-hire carrier or for compensation.

(4) The towing vehicle has a gross weight rating of 16,000 pounds or less.

(5) Is used solely in intrastate commerce.

(b) On or before January 1, 2022, the Department of the California Highway Patrol, in consultation with the Department of Motor Vehicles, shall report to the Governor and the Legislature about the impact of excluding an agricultural vehicle, as defined in subdivision (a), from the provisions of Section 34501.12. The report shall include, but is not limited to, information about collisions involving excluded vehicles and any traffic safety issues associated with excluded vehicles. The report described in this subdivision shall be submitted pursuant to Section 9795 of the Government Code.

(c) This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2023, deletes or extends that date.

SEC. 1.5. Section 34500.6 is added to the Vehicle Code, to read:

34500.6. (a) For purposes of this division, an agricultural vehicle is a vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating of 26,000 pounds or less if all of the following conditions are met:

(1) Is operated by a farmer, an employee of a farmer, or an instructor credentialed in agriculture as part of an instructional program in agriculture at the high school, community college, or university level.

(2) Is used exclusively in the conduct of agricultural operations when operating in commerce.

(3) Is not used in the capacity of a for-hire carrier or for compensation.

(4) The towing vehicle has a gross weight rating of 16,000 pounds or less.

(5) Is used solely in intrastate commerce.

(b) This section does not apply to a motor vehicle that is subject to Section 36103.

(c) On or before January 1, 2022, the Department of the California Highway Patrol, in consultation with the Department of Motor Vehicles, shall report to the Governor and the Legislature about the impact of excluding an agricultural vehicle, as defined in subdivision (a), from the provisions of Section 34501.12. The report shall include, but is not limited to, information about collisions involving excluded vehicles and any traffic safety issues associated with excluded vehicles. The report described in this subdivision shall be submitted pursuant to Section 9795 of the Government Code.

(d) This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2023, deletes or extends that date.

SEC. 2. Section 34501.12 of the Vehicle Code is amended to read:

34501.12. (a) Vehicles and the operation thereof, subject to this section, are those described in subdivision (a), (b), (e), (f), (g), (j), or (k) of Section 34500, except an agricultural vehicle as defined in Section 34500.6.

(b) It is unlawful for a motor carrier to operate any vehicle of a type described in subdivision (a) without identifying to the department all terminals, as defined in Section 34515, in this state where vehicles may be inspected by the department pursuant to

paragraph (4) of subdivision (a) of Section 34501 and where vehicle inspection and maintenance records and driver records will be made available for inspection. Motor carriers shall make vehicles and records available for inspection upon request by an authorized representative of the department. If a motor carrier fails to provide vehicles and records, an unsatisfactory terminal rating shall be issued by the department.

(1) The number of vehicles that will be selected for inspection by the department at a terminal shall be based on terminal fleet size and applied separately to a terminal fleet of power units and trailers, according to the following schedule:

Fleet Size	Representative Sample
1 or 2	All
3 to 8	3
9 to 15	4
16 to 25	6
26 to 50	9
51 to 90	14
91 or more	20

(2) The lessor of any vehicle described in subdivision (a) shall make vehicles available for inspection upon request of an authorized representative of the department in the course of inspecting the terminal of the lessee. This section does not affect whether the lessor or driver provided by the lessor is an employee of the authorized carrier lessee, and compliance with this section and its attendant administrative requirements does not imply an employee-employer relationship.

(c) (1) The department may inspect any terminal, as defined in Section 34515, of a motor carrier who, at any time, operates any vehicle described in subdivision (a).

(2) The department shall adopt rules and regulations establishing a performance-based truck terminal inspection selection priority system. In adopting the system's rules and regulations, the department shall incorporate methodologies consistent with those used by the Federal Motor Carrier Safety Administration, including those related to the quantitative analysis of safety-related motor carrier performance data, collected during the course of inspection

or enforcement contact by authorized representatives of the department or any authorized federal, state, or local safety official, in categories, including, but not limited to, driver fatigue, driver fitness, vehicle maintenance, and controlled substances and alcohol use. The department shall also incorporate other safety-related motor carrier performance data in this system, including citations and accident information. The department shall create a database to include all performance-based data specified in this section that shall be updated in a manner to provide real-time information to the department on motor carrier performance. The department shall prioritize for selection those motor carrier terminals never previously inspected by the department, those identified by the inspection priority selection system, and those terminals operating vehicles listed in subdivision (g) of Section 34500. The department is not required to inspect a terminal subject to inspection pursuant to this section more often than once every six years, if a terminal receives a satisfactory compliance rating as the result of a terminal inspection conducted by the department pursuant to this section or Section 34501, or if the department has not received notification by the system of a motor carrier operating while exceeding the threshold of the inspection selection priority system. Any motor carrier that is inspected and receives less than a satisfactory compliance rating, or that falls below the threshold of the selection priority system, shall be subject to periodic inquiries and inspections as outlined in subdivision (f), and these inquiries and inspections shall be based on the severity of the violations.

(3) As used in this section and Section 34505.6, subdivision (f) of Section 34500 includes only those combinations where the gross vehicle weight rating of the towing vehicle exceeds 10,000 pounds, but does not include a pickup truck or any combination never operated in commercial use, and subdivision (g) of Section 34500 includes only those vehicles transporting hazardous material for which the display of placards is required pursuant to Section 27903, a license is required pursuant to Section 32000.5, or for which hazardous waste transporter registration is required pursuant to Section 25163 of the Health and Safety Code. Notwithstanding Section 5014.1, vehicles that display special identification plates in accordance with Section 5011, historical vehicles, as described in Section 5004, implements of husbandry and farm vehicles, as defined in Chapter 1 (commencing with Section 36000) of Division

16, and vehicles owned or operated by an agency of the federal government are not subject to this section or Section 34505.6.

(d) It is unlawful for a motor carrier to operate, or cause to be operated, any vehicle that is subject to this section, Section 34520, or Division 14.85 (commencing with Section 34600), unless the motor carrier is knowledgeable of, and in compliance with, all applicable statutes and regulations.

(e) It is unlawful for a motor carrier to contract or subcontract with, or otherwise engage the services of, another motor carrier, subject to this section, unless the contracted motor carrier has complied with subdivision (d). A motor carrier shall not contract or subcontract with, or otherwise engage the services of, another motor carrier until the contracted motor carrier provides certification of compliance with subdivision (d). This certification shall be completed in writing by the contracted motor carrier in a manner prescribed by the department. The certification, or a copy of the certification, shall be maintained by each involved party for the duration of the contract or the period of service plus two years, and shall be presented for inspection immediately upon the request of an authorized employee of the department. The certifications required by this subdivision and subdivision (b) of 34620 may be combined.

(f) (1) An inspected terminal that receives an unsatisfactory compliance rating shall be reinspected by the department within 120 days after the issuance of the unsatisfactory compliance rating.

(2) If a motor carrier's Motor Carrier of Property Permit or Public Utilities Commission operating authority is suspended as a result of an unsatisfactory compliance rating, the department shall not conduct a reinspection for permit or authority reinstatement until requested to do so by the Department of Motor Vehicles or the Public Utilities Commission, as appropriate.

(g) A motor carrier issued an unsatisfactory terminal rating may request a review of the rating within five business days of receipt of the notification of the rating. The department shall conduct and evaluate the review within 10 business days of the request.

(h) The department shall publish performance-based inspection completion data and make the data available for public review.

(i) This section shall be known, and may be cited, as the Basic Inspection of Terminals program or BIT program.

(j) This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2023, deletes or extends that date.

SEC. 2.5. Section 34501.12 of the Vehicle Code is amended to read:

34501.12. (a) Vehicles and the operation thereof, subject to this section, are those described in subdivision (a), (b), (e), (f), (g), (j), or (k) of Section 34500, except an agricultural vehicle as defined in Section 34500.6.

(b) It is unlawful for a motor carrier to operate any vehicle of a type described in subdivision (a) without identifying to the department all terminals, as defined in Section 34515, in this state where vehicles may be inspected by the department pursuant to paragraph (4) of subdivision (a) of Section 34501 and where vehicle inspection and maintenance records and driver records will be made available for inspection. Motor carriers shall make vehicles and records available for inspection upon request by an authorized representative of the department. If a motor carrier fails to provide vehicles and records, an unsatisfactory terminal rating shall be issued by the department.

(1) The number of vehicles that will be selected for inspection by the department at a terminal shall be based on terminal fleet size and applied separately to a terminal fleet of power units and trailers, according to the following schedule:

Fleet Size	Representative Sample
1 or 2	All
3 to 8	3
9 to 15	4
16 to 25	6
26 to 50	9
51 to 90	14
91 or more	20

(2) The lessor of any vehicle described in subdivision (a) shall make vehicles available for inspection upon request of an authorized representative of the department in the course of inspecting the terminal of the lessee. This section does not affect whether the lessor or driver provided by the lessor is an employee

of the authorized carrier lessee, and compliance with this section and its attendant administrative requirements does not imply an employee-employer relationship.

(c) (1) The department may inspect any terminal, as defined in Section 34515, of a motor carrier who, at any time, operates any vehicle described in subdivision (a).

(2) The department shall adopt rules and regulations establishing a performance-based truck terminal inspection selection priority system. In adopting the system's rules and regulations, the department shall incorporate methodologies consistent with those used by the Federal Motor Carrier Safety Administration, including those related to the quantitative analysis of safety-related motor carrier performance data, collected during the course of inspection or enforcement contact by authorized representatives of the department or any authorized federal, state, or local safety official, in categories, including, but not limited to, driver fatigue, driver fitness, vehicle maintenance, and controlled substances and alcohol use. The department shall also incorporate other safety-related motor carrier performance data in this system, including citations and accident information. The department shall create a database to include all performance-based data specified in this section that shall be updated in a manner to provide real-time information to the department on motor carrier performance. The department shall prioritize for selection those motor carrier terminals never previously inspected by the department, those identified by the inspection priority selection system, and those terminals operating vehicles listed in subdivision (g) of Section 34500. The department is not required to inspect a terminal subject to inspection pursuant to this section more often than once every six years, if a terminal receives a satisfactory compliance rating as the result of a terminal inspection conducted by the department pursuant to this section or Section 34501, or if the department has not received notification by the system of a motor carrier operating while exceeding the threshold of the inspection selection priority system. Any motor carrier that is inspected and receives less than a satisfactory compliance rating, or that falls below the threshold of the selection priority system, shall be subject to periodic inquiries and inspections as outlined in subdivision (f), and these inquiries and inspections shall be based on the severity of the violations.

(3) As used in this section and Section 34505.6, subdivision (f) of Section 34500 includes only those combinations where the gross vehicle weight rating of the towing vehicle exceeds 10,000 pounds, but does not include a pickup truck or any combination never operated in commercial use, and subdivision (g) of Section 34500 includes only those vehicles transporting hazardous material for which the display of placards is required pursuant to Section 27903, a license is required pursuant to Section 32000.5, or for which hazardous waste transporter registration is required pursuant to Section 25163 of the Health and Safety Code. Notwithstanding Section 5014.1, vehicles that display special identification plates in accordance with Section 5011, historical vehicles, as described in Section 5004, implements of husbandry and farm vehicles, as defined in Chapter 1 (commencing with Section 36000) of Division 16 with the exception of vehicles operating in the pilot program established pursuant to Section 36103, and vehicles owned or operated by an agency of the federal government are not subject to this section or Section 34505.6.

(d) It is unlawful for a motor carrier to operate, or cause to be operated, any vehicle that is subject to this section, Section 34520, or Division 14.85 (commencing with Section 34600), unless the motor carrier is knowledgeable of, and in compliance with, all applicable statutes and regulations.

(e) It is unlawful for a motor carrier to contract or subcontract with, or otherwise engage the services of, another motor carrier, subject to this section, unless the contracted motor carrier has complied with subdivision (d). A motor carrier shall not contract or subcontract with, or otherwise engage the services of, another motor carrier until the contracted motor carrier provides certification of compliance with subdivision (d). This certification shall be completed in writing by the contracted motor carrier in a manner prescribed by the department. The certification, or a copy of the certification, shall be maintained by each involved party for the duration of the contract or the period of service plus two years, and shall be presented for inspection immediately upon the request of an authorized employee of the department. The certifications required by this subdivision and subdivision (b) of 34620 may be combined.

(f) (1) An inspected terminal that receives an unsatisfactory compliance rating shall be reinspected by the department within 120 days after the issuance of the unsatisfactory compliance rating.

(2) If a motor carrier's Motor Carrier of Property Permit or Public Utilities Commission operating authority is suspended as a result of an unsatisfactory compliance rating, the department shall not conduct a reinspection for permit or authority reinstatement until requested to do so by the Department of Motor Vehicles or the Public Utilities Commission, as appropriate.

(g) A motor carrier issued an unsatisfactory terminal rating may request a review of the rating within five business days of receipt of the notification of the rating. The department shall conduct and evaluate the review within 10 business days of the request.

(h) The department shall publish performance-based inspection completion data and make the data available for public review.

(i) This section shall be known, and may be cited, as the Basic Inspection of Terminals program or BIT program.

(j) This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2023, deletes or extends that date.

SEC. 3. Section 34501.12 is added to the Vehicle Code, to read:

34501.12. (a) Vehicles and the operation thereof, subject to this section, are those described in subdivision (a), (b), (e), (f), (g), (j), or (k) of Section 34500.

(b) It is unlawful for a motor carrier to operate any vehicle of a type described in subdivision (a) without identifying to the department all terminals, as defined in Section 34515, in this state where vehicles may be inspected by the department pursuant to paragraph (4) of subdivision (a) of Section 34501 and where vehicle inspection and maintenance records and driver records will be made available for inspection. Motor carriers shall make vehicles and records available for inspection upon request by an authorized representative of the department. If a motor carrier fails to provide vehicles and records, an unsatisfactory terminal rating shall be issued by the department.

(1) The number of vehicles that will be selected for inspection by the department at a terminal shall be based on terminal fleet size and applied separately to a terminal fleet of power units and trailers, according to the following schedule:

Fleet Size	Representative Sample
1 or 2	All
3 to 8	3
9 to 15	4
16 to 25	6
26 to 50	9
51 to 90	14
91 or more	20

(2) The lessor of any vehicle described in subdivision (a) shall make vehicles available for inspection upon request of an authorized representative of the department in the course of inspecting the terminal of the lessee. This section does not affect whether the lessor or driver provided by the lessor is an employee of the authorized carrier lessee, and compliance with this section and its attendant administrative requirements does not imply an employee-employer relationship.

(c) (1) The department may inspect any terminal, as defined in Section 34515, of a motor carrier who, at any time, operates any vehicle described in subdivision (a).

(2) The department shall adopt rules and regulations establishing a performance-based truck terminal inspection selection priority system. In adopting the system's rules and regulations, the department shall incorporate methodologies consistent with those used by the Federal Motor Carrier Safety Administration, including those related to the quantitative analysis of safety-related motor carrier performance data, collected during the course of inspection or enforcement contact by authorized representatives of the department or any authorized federal, state, or local safety official, in categories, including, but not limited to, driver fatigue, driver fitness, vehicle maintenance, and controlled substances and alcohol use. The department shall also incorporate other safety-related motor carrier performance data in this system, including citations and accident information. The department shall create a database to include all performance-based data specified in this section that shall be updated in a manner to provide real-time information to the department on motor carrier performance. The department shall prioritize for selection those motor carrier terminals never previously inspected by the department, those identified by the

inspection priority selection system, and those terminals operating vehicles listed in subdivision (g) of Section 34500. The department is not required to inspect a terminal subject to inspection pursuant to this section more often than once every six years, if a terminal receives a satisfactory compliance rating as the result of a terminal inspection conducted by the department pursuant to this section or Section 34501, or if the department has not received notification by the system of a motor carrier operating while exceeding the threshold of the inspection selection priority system. Any motor carrier that is inspected and receives less than a satisfactory compliance rating, or that falls below the threshold of the selection priority system, shall be subject to periodic inquiries and inspections as outlined in subdivision (f), and these inquiries and inspections shall be based on the severity of the violations.

(3) As used in this section and Section 34505.6, subdivision (f) of Section 34500 includes only those combinations where the gross vehicle weight rating of the towing vehicle exceeds 10,000 pounds, but does not include a pickup truck or any combination never operated in commercial use, and subdivision (g) of Section 34500 includes only those vehicles transporting hazardous material for which the display of placards is required pursuant to Section 27903, a license is required pursuant to Section 32000.5, or for which hazardous waste transporter registration is required pursuant to Section 25163 of the Health and Safety Code. Notwithstanding Section 5014.1, vehicles that display special identification plates in accordance with Section 5011, historical vehicles, as described in Section 5004, implements of husbandry and farm vehicles, as defined in Chapter 1 (commencing with Section 36000) of Division 16 and vehicles owned or operated by an agency of the federal government are not subject to this section or Section 34505.6.

(d) It is unlawful for a motor carrier to operate, or cause to be operated, any vehicle that is subject to this section, Section 34520, or Division 14.85 (commencing with Section 34600), unless the motor carrier is knowledgeable of, and in compliance with, all applicable statutes and regulations.

(e) It is unlawful for a motor carrier to contract or subcontract with, or otherwise engage the services of, another motor carrier, subject to this section, unless the contracted motor carrier has complied with subdivision (d). A motor carrier shall not contract or subcontract with, or otherwise engage the services of, another

motor carrier until the contracted motor carrier provides certification of compliance with subdivision (d). This certification shall be completed in writing by the contracted motor carrier in a manner prescribed by the department. The certification, or a copy of the certification, shall be maintained by each involved party for the duration of the contract or the period of service plus two years, and shall be presented for inspection immediately upon the request of an authorized employee of the department. The certifications required by this subdivision and subdivision (b) of 34620 may be combined.

(f) (1) An inspected terminal that receives an unsatisfactory compliance rating shall be reinspected by the department within 120 days after the issuance of the unsatisfactory compliance rating.

(2) If a motor carrier's Motor Carrier of Property Permit or Public Utilities Commission operating authority is suspended as a result of an unsatisfactory compliance rating, the department shall not conduct a reinspection for permit or authority reinstatement until requested to do so by the Department of Motor Vehicles or the Public Utilities Commission, as appropriate.

(g) A motor carrier issued an unsatisfactory terminal rating may request a review of the rating within five business days of receipt of the notification of the rating. The department shall conduct and evaluate the review within 10 business days of the request.

(h) The department shall publish performance-based inspection completion data and make the data available for public review.

(i) This section shall be known, and may be cited, as the Basic Inspection of Terminals program or BIT program.

(j) This section shall become operative on January 1, 2023.

SEC. 3.5. Section 34501.12 is added to the Vehicle Code, to read:

34501.12. (a) Vehicles and the operation thereof, subject to this section, are those described in subdivision (a), (b), (e), (f), (g), (j), or (k) of Section 34500.

(b) It is unlawful for a motor carrier to operate any vehicle of a type described in subdivision (a) without identifying to the department all terminals, as defined in Section 34515, in this state where vehicles may be inspected by the department pursuant to paragraph (4) of subdivision (a) of Section 34501 and where vehicle inspection and maintenance records and driver records will be made available for inspection. Motor carriers shall make

vehicles and records available for inspection upon request by an authorized representative of the department. If a motor carrier fails to provide vehicles and records, an unsatisfactory terminal rating shall be issued by the department.

(1) The number of vehicles that will be selected for inspection by the department at a terminal shall be based on terminal fleet size and applied separately to a terminal fleet of power units and trailers, according to the following schedule:

Fleet Size	Representative Sample
1 or 2	All
3 to 8	3
9 to 15	4
16 to 25	6
26 to 50	9
51 to 90	14
91 or more	20

(2) The lessor of any vehicle described in subdivision (a) shall make vehicles available for inspection upon request of an authorized representative of the department in the course of inspecting the terminal of the lessee. This section does not affect whether the lessor or driver provided by the lessor is an employee of the authorized carrier lessee, and compliance with this section and its attendant administrative requirements does not imply an employee-employer relationship.

(c) (1) The department may inspect any terminal, as defined in Section 34515, of a motor carrier who, at any time, operates any vehicle described in subdivision (a).

(2) The department shall adopt rules and regulations establishing a performance-based truck terminal inspection selection priority system. In adopting the system's rules and regulations, the department shall incorporate methodologies consistent with those used by the Federal Motor Carrier Safety Administration, including those related to the quantitative analysis of safety-related motor carrier performance data, collected during the course of inspection or enforcement contact by authorized representatives of the department or any authorized federal, state, or local safety official, in categories, including, but not limited to, driver fatigue, driver

fitness, vehicle maintenance, and controlled substances and alcohol use. The department shall also incorporate other safety-related motor carrier performance data in this system, including citations and accident information. The department shall create a database to include all performance-based data specified in this section that shall be updated in a manner to provide real-time information to the department on motor carrier performance. The department shall prioritize for selection those motor carrier terminals never previously inspected by the department, those identified by the inspection priority selection system, and those terminals operating vehicles listed in subdivision (g) of Section 34500. The department is not required to inspect a terminal subject to inspection pursuant to this section more often than once every six years, if a terminal receives a satisfactory compliance rating as the result of a terminal inspection conducted by the department pursuant to this section or Section 34501, or if the department has not received notification by the system of a motor carrier operating while exceeding the threshold of the inspection selection priority system. Any motor carrier that is inspected and receives less than a satisfactory compliance rating, or that falls below the threshold of the selection priority system, shall be subject to periodic inquiries and inspections as outlined in subdivision (f), and these inquiries and inspections shall be based on the severity of the violations.

(3) As used in this section and Section 34505.6, subdivision (f) of Section 34500 includes only those combinations where the gross vehicle weight rating of the towing vehicle exceeds 10,000 pounds, but does not include a pickup truck or any combination never operated in commercial use, and subdivision (g) of Section 34500 includes only those vehicles transporting hazardous material for which the display of placards is required pursuant to Section 27903, a license is required pursuant to Section 32000.5, or for which hazardous waste transporter registration is required pursuant to Section 25163 of the Health and Safety Code. Notwithstanding Section 5014.1, vehicles that display special identification plates in accordance with Section 5011, historical vehicles, as described in Section 5004, implements of husbandry and farm vehicles, as defined in Chapter 1 (commencing with Section 36000) of Division 16 with the exception of vehicles operating in the pilot program established pursuant to Section 36103, and vehicles owned or

operated by an agency of the federal government are not subject to this section or Section 34505.6.

(d) It is unlawful for a motor carrier to operate, or cause to be operated, any vehicle that is subject to this section, Section 34520, or Division 14.85 (commencing with Section 34600), unless the motor carrier is knowledgeable of, and in compliance with, all applicable statutes and regulations.

(e) It is unlawful for a motor carrier to contract or subcontract with, or otherwise engage the services of, another motor carrier, subject to this section, unless the contracted motor carrier has complied with subdivision (d). A motor carrier shall not contract or subcontract with, or otherwise engage the services of, another motor carrier until the contracted motor carrier provides certification of compliance with subdivision (d). This certification shall be completed in writing by the contracted motor carrier in a manner prescribed by the department. The certification, or a copy of the certification, shall be maintained by each involved party for the duration of the contract or the period of service plus two years, and shall be presented for inspection immediately upon the request of an authorized employee of the department. The certifications required by this subdivision and subdivision (b) of 34620 may be combined.

(f) (1) An inspected terminal that receives an unsatisfactory compliance rating shall be reinspected by the department within 120 days after the issuance of the unsatisfactory compliance rating.

(2) If a motor carrier's Motor Carrier of Property Permit or Public Utilities Commission operating authority is suspended as a result of an unsatisfactory compliance rating, the department shall not conduct a reinspection for permit or authority reinstatement until requested to do so by the Department of Motor Vehicles or the Public Utilities Commission, as appropriate.

(g) A motor carrier issued an unsatisfactory terminal rating may request a review of the rating within five business days of receipt of the notification of the rating. The department shall conduct and evaluate the review within 10 business days of the request.

(h) The department shall publish performance-based inspection completion data and make the data available for public review.

(i) This section shall be known, and may be cited, as the Basic Inspection of Terminals program or BIT program.

(j) This section shall become operative on January 1, 2023.

SEC. 4. Section 1.5 of this bill shall become operative only if Assembly Bill 995 is enacted and becomes effective on or before January 1, 2017, and adds Section 36103 to the Vehicle Code, in which case Section 1 of this bill shall not become operative.

SEC. 5. Sections 2.5 and 3.5 of this bill incorporate amendments to Section 34501.12 of the Vehicle Code proposed by both this bill and Assembly Bill 995. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2017, (2) each bill amends Section 34501.12 of the Vehicle Code, and (3) this bill is enacted after Assembly Bill 995, in which case Sections 2 and 3 of this bill shall not become operative.

Approved _____, 2016

Governor